United Nations E/CN.9/1999/4

Economic and Social Council

Distr.: General
2 February 1999

Original: English

Commission on Population and Development
Thirty-second session
22–31 March 1999
Item 3 of the provisional agenda*
Follow-up actions to the recommendations of the International Conference on Population and Development

The flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development

Report of the Secretary-General

Summary

The present report responds to a request made at the twenty-eighth session of the Commission on Population and Development for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development. It also complies with General Assembly resolutions 49/128 and 50/124 in which the Assembly called for the preparation of periodic reports on financial resource flows to assist in the implementation of the Programme of Action.

External assistance for population activities increased 54 per cent from the immediate pre-Conference period, from a total of $1.3 billion in 1993 to slightly over $2 billion in 1996. This figure represents roughly 35 per cent of the $5.7 billion target agreed upon in Cairo as the international community's share in financing the Programme of Action. Preliminary indications are that in 1997, total assistance for population decreased to just under $1.9 billion. While some donors increased their contributions in 1997, others are at, or below, 1996 levels. Difficult economic circumstances resulting in budget cuts and declining official development assistance (ODA) have translated into stagnating or decreasing funding for population programmes.

* E/CN.9/1999/1.

99-02709 (E) 240299

Domestic resource flows originating from government, non-governmental organization and private sources in 1997 are estimated at just under $8 billion, slightly less than in 1996. This number should be treated with caution, as continued improvements in the database are required. The external assistance and domestic expenditure data yield a preliminary global total estimate for population-related expenditures in 1997 of $9.6 billion.

Contents

		Paragraphs	Page
	Introduction	1–6	3
I.	External assistance for population activities	7–26	4
	A. Trends in donor country assistance	10–15	5
	B. Estimates of current and projections of future donor country assistance	16–17	7
	C. Trends in multilateral assistance	18–22	7
	D. Trends in private population assistance	23–24	9
	E. Trends in expenditures by geographical region and channel of assistance	25–26	10
II.	Domestic financial resources for population activities	27–31	11
III.	Resource flows for other population-related activities	32–34	14
IV.	Conclusions	35–38	15
	A. Progress in resource mobilization to achieve International Conference on Population and Development goals	35–36	15
	B. Resources required to meet Conference goals	37–38	15

Tables

1.	Estimates of government expenditures by category of population activity, 1997	13
2.	Estimates of expenditures of national non-governmental organizations by category of population activity, 1997	13

Figures

I.	Trends in international population assistance, 1990–1997	4
II.	Trends in donor country population assistance, pre- and post-Conference, selected donor countries, 1993, 1995, 1996 and 1997	5
III.	Exchange-rate fluctuations, pre- and post-Conference: 1993 versus 1997	6
IV.	Trends in multilateral development loans for population activities, 1993–1997	8
V.	Trends in population assistance from private sources, pre- and post-Conference, 1993, 1995, 1996 and 1997	9
VI.	Population assistance by geographical region, 1993–1997	10
VII.	Final expenditures for population assistance, by channel of distribution, 1993–1997	11

Introduction

1. The present report has been prepared by the United Nations Population Fund (UNFPA) to comply with a request at the twenty-eighth session of the Commission on Population and Development[1] for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development.[2] It is part of the work programme of the Commission on Population and Development and is in accordance with General Assembly resolutions 49/128 and 50/124 in which the Assembly called for the preparation of periodic reports on the flow of financial resources for assisting in the implementation of the Programme of Action.

2. This report reviews the flow of financial resources in external assistance for population activities for 1996 and 1997 and domestic expenditures for population activities for 1997. It analyses trends in donor country, multilateral and private population assistance from the immediate pre-Conference period (1993) to the date of the latest available figures (provisional 1997).[3] It also provides estimates of government and non-governmental organization expenditures for population activities in developing countries. Data-collection activities for both donor and domestic resource flows were undertaken by the Netherlands Interdisciplinary Demographic Institute (NIDI) under a contract with UNFPA. NIDI evaluated and analysed the data in close collaboration with UNFPA.

3. Figures for external assistance in 1996 are based on data gathered with the use of a detailed questionnaire mailed to donor countries, multilateral organizations and agencies, major private foundations and other non-governmental organizations that provide population assistance. Data on donor assistance for population activities in 1997 are based on responses that were received as of 5 January 1999. The 1997 figures should be treated as preliminary.

4. Information on domestic resource flows in 1997 are based on data from responses to questionnaires sent to 87 UNFPA/United Nations Development Programme (UNDP) field offices throughout the world, covering some 155 countries. A total of 83 countries provided information on domestic expenditures for population activities by the publication deadline. Seven case studies were conducted in the first two years of the resource flows project to permit a more detailed analysis and to assess the quality of data. These studies were conducted in Egypt, Ethiopia, India, Indonesia, Senegal, South Africa and the United Republic of Tanzania. Case studies in Latin America are scheduled for 1999 and 2000.

5. The report analyses international and domestic financial resource flows for population activities that are part of the "costed population package" as specified in paragraph 13.14 of the Programme of Action: family planning services; basic reproductive health services; sexually transmitted diseases (STDs)/human immunodeficiency virus (HIV)/acquired immunodeficiency syndrome (AIDS) prevention activities; and basic research, data and population and development policy analysis. The Programme of Action estimated that the implementation of this population and reproductive health package in the developing countries and countries with economies in transition would cost US$ 17 billion[4] by the year 2000. Approximately two thirds of the projected costs would come from domestic sources and one third, or $5.7 billion, would come from the international donor community.

6. The Programme of Action noted that additional resources would be needed to support programmes addressing population and development objectives in those areas not specifically costed in the Programme of Action, including activities designed to improve the status of women, generate employment, address environmental concerns, provide basic social services and address poverty eradication through sustained economic growth in the context of sustainable development.

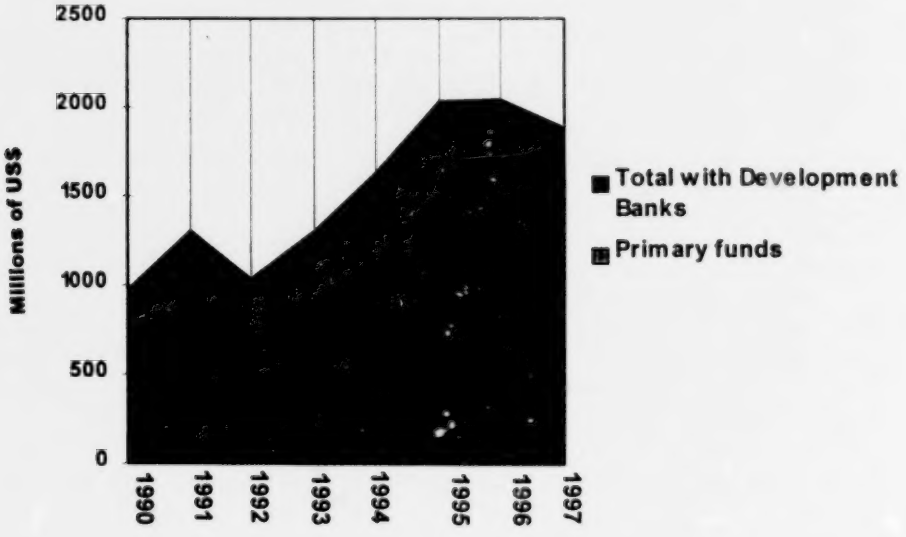
I. External assistance for population activities

7. In the immediate post-Conference period, international assistance for population activities increased 54 per cent between 1993 and 1995, from a total of $1.3 billion in 1993 to $2.0 billion in 1995.

8. The momentum generated by the International Conference on Population and Development appeared to have stalled by 1996, when international assistance remained at the 1995 level of $2 billion. While a few donors increased funding, others maintained the status quo or decreased their contributions. Donor countries were the largest source of primary funds, contributing almost $1.4 billion, or 67 per cent, of all primary funds for international population assistance in 1996. Development banks, chiefly the World Bank, contributed $517 million (25 per cent) of the total population assistance in the form of multi-year loans; multilateral organizations and agencies contributed $18 million,[5] or just under 1 per cent; and private sources, especially foundations, accounted for $141 million, or 6.8 per cent of the total primary funds for population assistance.

9. As of 5 January 1999, the 1997 figures point to a decrease of approximately 7.5 per cent in total primary funds, to just under $1.9 billion. Preliminary indications are that both private foundations and development banks decreased their 1997 contributions, while donor countries and multilateral organizations and agencies increased funding levels. Figure I shows trends in international population assistance from 1993 to 1997. Data for 1997 are provisional; estimates at the 1996 level were used for countries that did not report their 1997 contributions. Final figures will appear in the *Global Population Assistance Report, 1997* which will be published later this year.

Figure I.
Trends in international population assistance, 1990–1997



Note: 1997 data are provisional.

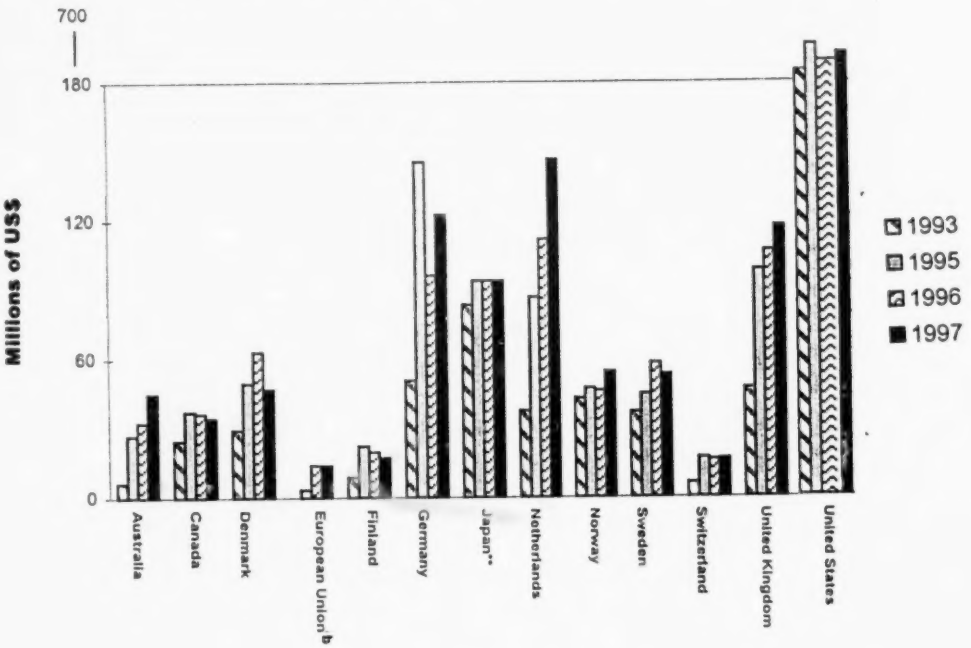
A. Trends in donor country assistance

10. Bilateral assistance increased 80 per cent from $777 million in 1993 to almost $1.4 billion in 1996[6] (figure II). Preliminary indications point to a slight increase in total primary funds of donor countries in 1997; nine countries increased their contributions over the previous year, while seven decreased their 1997 funding.[7]

11. Most final expenditures for population activities were channelled to family planning and basic reproductive health services, 40 per cent and 27 per cent, respectively, in 1997. Nineteen per cent was spent on sexually transmitted diseases, including HIV/AIDS activities, and 14 per cent was spent on basic research, data, and population and development policy analysis. Preliminary data for 1997 are similar to those obtained in the 1996 inquiry. A number of donors pointed out that there was a difficulty in disaggregating data by the population activities specified in paragraph 13.14 of the Programme of Action because many countries have integrated family planning and/or STDs/HIV/AIDS activities in reproductive health programmes.

Figure II

Trends in donor country population assistance, pre- and post-Conference, selected donor countries, 1993, 1995, 1996 and 1997



Note: 1997 data are provisional.

[a] Figures for 1996 and 1997 are estimated at the 1995 level, the latest year for which figures were reported.

[b] No data are available for the European Union (EU) prior to 1994. Figures for 1997 are estimated at the 1996 level, the latest year for which figures are reported.

Effects of exchange-rate variations

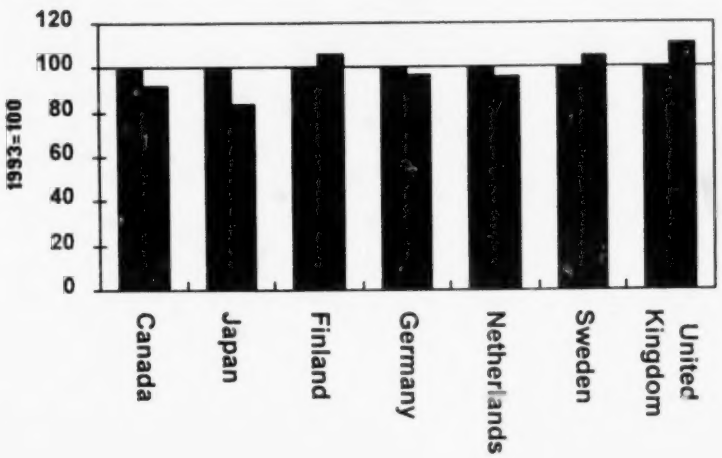
12. Figure III presents the effect of currency fluctuations and trends in exchange rates for 1993 (pre-Conference) and 1997 (latest available), based on the standard currency for tracking global resource flows, the United States dollar, for major donor countries that experienced the largest exchange-rate swings during this period. Four countries, Canada, Japan, Germany and the Netherlands, saw their currencies weaken against the United States dollar. This weakening was not completely offset by several other donors whose currencies appreciated against the dollar in the same period. Overall, if 1993 exchange rates had prevailed in 1997, donor assistance for population activities would have been *higher* in 1997 than it in fact was.

Population assistance as a percentage of official development assistance

13. Donor countries contributed 2.46 per cent of their total official development assistance (ODA) to population assistance in 1996. The preliminary figure of 3.09 per cent for 1997 follows this upward trend observed since 1993 when the percentage stood at 1.40. This figure is the highest percentage ever recorded by UNFPA in its annual *Global Population Assistance Report*. Although the increase in percentage of ODA that was earmarked for population assistance is encouraging, it should be noted that total ODA has declined, from $56.5 billion in 1993 to $47.6 billion in 1997. Thus, population activities are actually receiving a larger share of *decreasing* total ODA.

14. Donor countries vary greatly in the proportion of ODA contributed for population assistance. Of the 16 countries reporting in 1997, 11 earmarked a larger percentage of ODA for population activities than they had the previous year. It is encouraging to note that, despite stagnating overall funding for population activities, five countries contributed more than 4 per cent of their total ODA for population assistance in 1997.

Figure III
Exchange-rate fluctuations, pre- and post-Conference: 1993 versus 1997



Note: Index of local currency per US$ where 1993 = 100.

Population assistance in relation to gross national product

15. Since 1993, donor countries, on average, have increased their contributions for population activities from $42 for each million dollars of gross national product (GNP) to $61 in 1996. Provisional 1997 data indicate a further increase to $69, in the amount of money that countries spent on population assistance in relation to GNP. This number is subject to change once all countries report their 1997 funding.

B. Estimates of current and projections of future donor country assistance

16. The Commission on Population and Development at its thirty-first session in February 1998 requested the reporting of estimates of domestic, bilateral and multilateral resources be made available as of 31 December 1998 and estimates of resources expected to be made available as of 31 December 1999. To comply with this request, the 1997 round of questionnaires on financial resource flows included, for the first time, questions pertaining to current and future commitments.

17. It has been difficult to obtain data for 1998 and 1999. Only nine donor countries provided information on 1998 and 1999 funding for population activities. Finland, Germany and Sweden reported increases in their 1998 contributions, while Denmark, Italy, Norway, Portugal and the United States of America reported decreases. Canada's 1998 contribution had not changed significantly from the 1997 level. Canada, Denmark, Portugal and Sweden expect to increase funding for population assistance in 1999, while Finland, Italy, Norway and the United States project declines in their contributions. Germany did not provide information for 1999.

C. Trends in multilateral assistance

Grants

18. A number of United Nations organizations and agencies that engage in population-related or reproductive health activities, including the United Nations Children's Fund (UNICEF), the World Health Organization (WHO) and UNFPA, provide multilateral population assistance. The amount of this assistance has fluctuated over the years, having increased substantially since 1993, from $66 million to $111 million in 1995. In 1996, the contribution of multilateral organizations and agencies totalled approximately $18 million, an 84 per cent decrease over the 1995 total. A large part of this decrease can be attributed to the fact that UNICEF, which provided data only on project expenditures rather than on income for 1996 and whose figures were therefore not comparable, was excluded from the tabulations.[8] The preliminary figure for 1997 is $49 million.

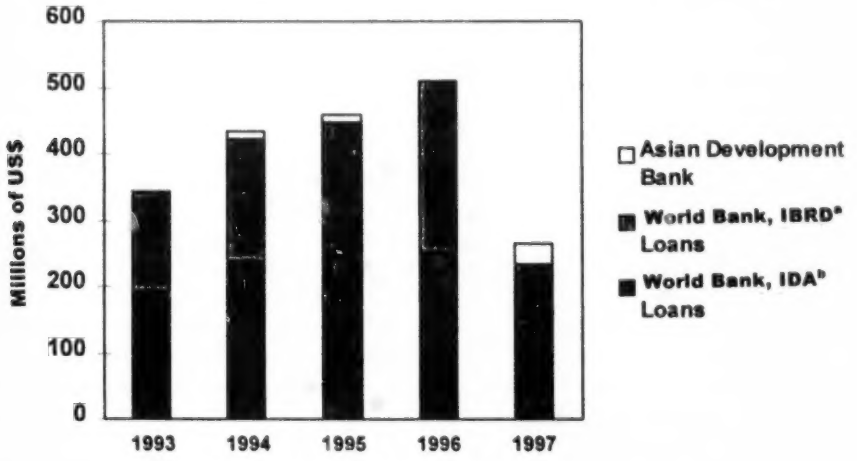
19. The significance of population assistance from multilateral organizations and agencies can best be measured by identifying the amount of funds flowing through these organizations for further distribution. In 1996, $448 million flowed through multilateral organizations and agencies, compared with $293 million, the 1993 pre-Conference level. UNFPA is by far the most significant provider of population assistance, with $328 million having flowed through the organization in 1996, up from $234 million in 1993. In 1997, this figure declined slightly to $320 million.

Loans

20. The development banks, which provide loans to developing countries, are another important multilateral source of population assistance. Their contributions are treated separately because their assistance is in the form of loans, which must be repaid, rather than grants. The banks' projects reflect multi-year commitments, recorded in the year in which they are approved, but disbursed over several years. Most loans for population assistance come from the World Bank which supports such activities as reproductive health and family planning service delivery, population policy development, HIV/AIDS prevention, and fertility survey and census work.

21. The World Bank lent $509 million for population assistance in 1996, the largest amount the Bank had ever earmarked for population assistance in any fiscal year. It increased its International Development Association (IDA) loans, made at highly concessional rates, from $195 million in 1993 to $253 million in 1996 and its International Bank for Reconstruction and Development (IBRD) loans, made at rates closer to those prevailing in the market, from $145 million in 1993 to $256 million in 1996. Preliminary figures for 1997 point to a 54 per cent decrease, to $234 million, in the Bank's lending to population activities (figure IV). However, in line with a Bank-wide increase in new loan commitments, lending for population and reproductive health increased substantially to $438 million in 1998. The Asian Development Bank reported an expenditure of $32.6 million in loans in 1997, up from $12 million in 1995, the latest year for which figures were reported.

Figure IV
Trends in multilateral development loans for population activities, 1993–1997



Note: 1997 data are provisional.

[a] International Bank for Reconstruction and Development.

[b] International Development Association.

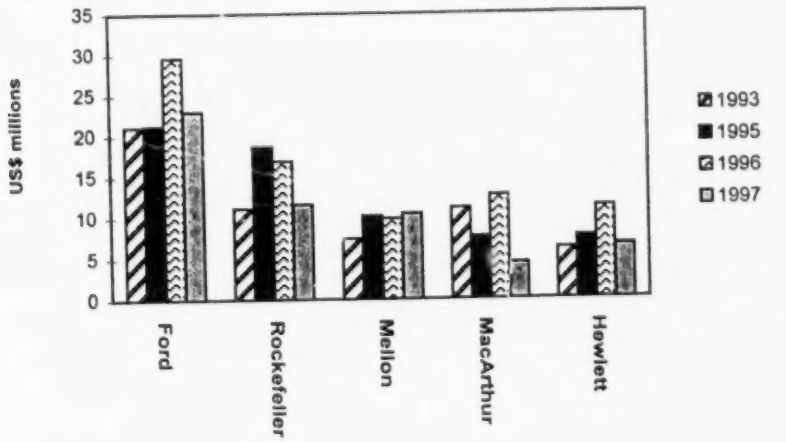
22. In recent years, it has become increasingly more difficult to disaggregate the population component in integrated projects financed by development banks and to isolate the "costed population package" from those activities not included in paragraph 13.14 of the Programme of Action. Many bank loans and grants are used to finance basic social service programmes such as nutrition, integrated health and girls' education projects. Often, Programme of Action components such as family planning, reproductive health and HIV/AIDS prevention services are embedded in these projects. However, record-keeping systems do not disaggregate funds allocated by the four main population categories defined in the Programme of Action. For example, in 1996, the African Development Bank reported only general health and education grants and loans and the Inter-American Development Bank reported only general health projects. The 1997 round of questionnaires also yielded figures on integrated health projects that are not included in the Programme of Action costed population package. The Inter-American Development Bank reported expending $182 million in loans for integrated health projects, of which an undetermined amount was earmarked for population activities.

D. Trends in private population assistance

23. The private sector, including private foundations, non-governmental organizations and other private organizations, is another important source of population assistance. Private sector contributions have increased 14 per cent, from $124 million in 1993 to $141 million in 1996. The preliminary figure for 1997 is $102 million and is expected to increase as more replies are received. Except for 1994, the Ford Foundation has consistently provided the most funds for population assistance of any private sector organization since 1993, when it accounted for 17 per cent of primary funds of private foundations/non-governmental organizations for population assistance (figure V). Provisional figures for 1997 indicate that the Ford Foundation has increased its proportion of primary funds to 25 per cent. Other major donors in 1997 included the Rockefeller Foundation, the Andrew Mellon Foundation, the William and Flora Hewlett Foundation and the Nippon Foundation.

Figure V

Trends in population assistance from private sources, pre- and post-Conference, 1993, 1995, 1996 and 1997



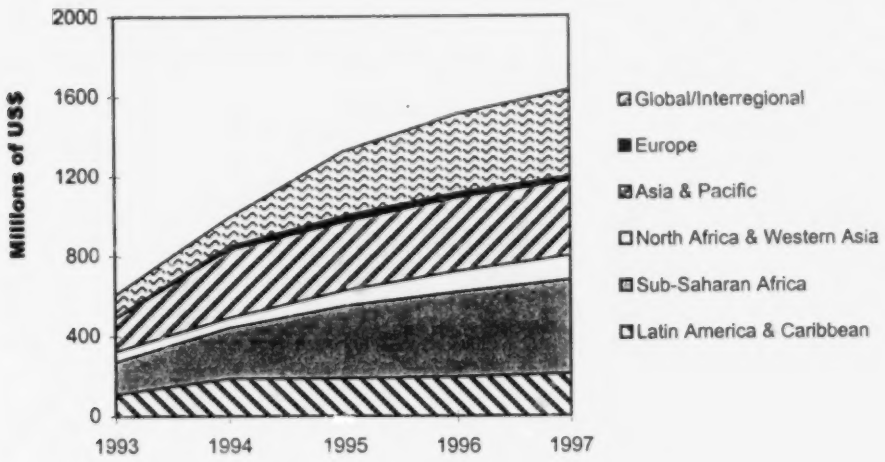
Note: 1997 data are provisional.

24. Among the new sources of population assistance is the United Nations Foundation which pledged a total of $1 billion, or $100 million annually for 10 years, for United Nations-sponsored activities. In its first year of operation, the Foundation approved over $11 million for UNFPA-administered population projects. The William H. Gates Foundation contributed $1.7 million to UNFPA to support South-South collaboration. The David and Lucile Packard Foundation has announced its plans to greatly expand its programmes in the population field; the Wellcome Trust is also expected to increase funding in this area.

E. Trends in expenditures by geographical region and channel of assistance

25. Since 1995, sub-Saharan Africa has been receiving the largest percentage of population assistance. Sub-Saharan Africa's share continued to increase in 1996 and, provisionally, in 1997. Asia and the Pacific was the second largest recipient of funds; together, the two regions received 52 per cent of all international assistance in 1996 and, provisionally, in 1997. Expenditures in Latin America and the Caribbean have remained fairly constant at about 14 per cent, after declining from 19 per cent in 1994. In 1997, this figure decreased to just under 13 per cent. The proportion of funds expended in Western Asia and North Africa, which was just under 9 per cent in 1993, decreased to 5 per cent in 1994, but increased to 7 per cent in 1996 and, provisionally, to almost 8 per cent in 1997. Expenditures for population assistance in Europe began in 1989, with the opening of relations with Eastern-bloc countries. Since 1994, Europe had received approximately 2 per cent of all international assistance for population activities; in 1997, the proportion decreased to 1.4 per cent. A much larger percentage of international assistance currently goes to global and interregional population activities: in 1993, just over 18 per cent of funding was interregional, while in 1996, over one quarter of funds went to interregional activities; provisionally, this proportion increased to almost 27 per cent in 1997 (figure VI).

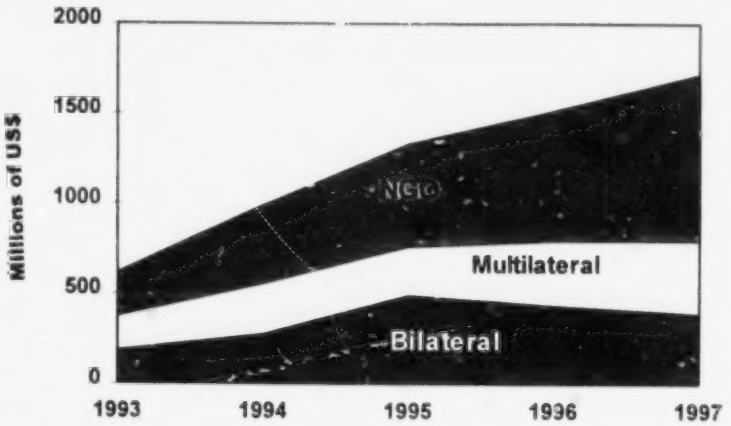
Figure VI
Population assistance by geographical region, 1993–1997



Note: 1997 data are provisional.

26. Assistance for population programmes flows through a complex network, moving from primary sources to recipient countries through several channels. The channels include (a) the bilateral channel extending directly from the donor to the recipient country (primarily, to government institutions); (b) the multilateral channel, through United Nations organizations and agencies; and (c) the non-governmental organization channel (both international and national). Of the total final expenditures for population activities in 1996, the largest percentage by far was channelled through non-governmental organizations. Since 1993, the share of the non-governmental organization channel has grown from 39 per cent of the total final expenditures for population assistance to 47 per cent in 1996. During the same period, the share of the bilateral channel decreased from 30 to 28 per cent and that of the multilateral channel decreased from 31 to 24 per cent. Provisional figures for 1997 show that the share of the non-governmental organization channel increased in importance to 54 per cent of the total expenditures, the share of the multilateral channel remained unchanged at 24 per cent and that of the bilateral channel decreased to 22 per cent of total final expenditures for population assistance[9] (figure VII). This proportion is subject to change as more responses are received.

Figure VII
Final expenditures for population assistance, by channel of distribution, 1993–1997



Note: 1997 data are provisional.

II. Domestic financial resources for population activities

27. A second attempt to gather information on domestic resource flows for population activities was made in 1998 and resulted in a preliminary global estimate for 1997 of just under $8 billion, as described below. Questionnaires on 1997 domestic expenditures on population activities were sent to 87 UNFPA/UNDP representatives covering 155 countries and a local consultant was often retained to work with the appropriate government authorities and national non-governmental organizations in completing these questionnaires. Respondents were instructed to focus on the International Conference on Population and Development "costed population package" and to ensure that only domestic financial flows were reported. A total of 83 countries replied to the inquiry by the publication deadline; a number of Governments have been unable to supply information on domestic resource

flows this year, some provided incomplete data, and others are still in the process of gathering the data.

28. UNFPA was able to calculate a very rough estimate of the global domestic resource flows for population activities based on the information obtained from the countries responding to the 1997 inquiry, together with supplementary data for a few large countries that had either not responded or provided incomplete data.[10] This estimation exercise, the results of which should be treated with caution, yielded a crude global figure of $6.6 billion. An existing estimate of the proportion of private resources in the domestic total (14 per cent), or $1.1 billion, was added to reflect private resources. As a result, a global total for domestic resource flows for population in 1997 is estimated at just under $8 billion. The regional breakdown of domestic resource flows in 1997 is estimated as follows: sub-Saharan Africa — $118.2 million; Asia and the Pacific — $5.1 billion; Latin America and the Caribbean — $1.0 billion; North Africa and Western Asia — $201 million; and countries in transition in Eastern Europe — $174 million.

29. The global figure of domestic resource flows is a very rough estimate based on data that are often incomplete and not entirely comparable. However, the information is useful in that it does provide some idea of the progress made by developing countries in achieving the International Conference on Population and Development financial resource goals. It is important to note that the global total conceals the fact that most resources are mobilized in a few large countries, while the poorer countries are unable to generate the necessary resources. Case studies show that the international donor community plays an important role in financing population activities in most developing countries and that, in some countries, funding for population activities is largely donor-driven. National non-governmental organizations are playing an increasing role in the provision of services, but they remain highly dependent on external sources.

Estimated government and non-governmental organization expenditures for population activities

30. The estimates on expenditures by category of population activity are most complete for countries responding to the UNFPA/NIDI inquiry. The 83 countries responding to the inquiry reported spending approximately $674 million for population activities in 1997. Of this, $583 million came from government sources and $91 million was reported as comprising national non-governmental organization project expenditures (tables 1 and 2). Of the total government expenditures for population in the countries responding to the 1997 inquiry, approximately 42 per cent was allocated to family planning services, 26 per cent to basic reproductive health services, 19 per cent to STDs/HIV/AIDS activities and 13 per cent to basic research, data and population and development policy analysis. The $91 million spent by national non-governmental organizations was distributed as follows: 41 per cent for family planning services; 29 per cent for basic reproductive health services; and 15 per cent each for STDs/HIV/AIDS activities and basic research, data and population and development policy analysis. According to the responses received, it appears that national non-governmental organizations do not, at present, play a significant financial role in population activities in developing countries. Although their financial role in population activities is minimal, it should be noted that national non-governmental organizations play a key role in advocacy, pioneering activities and reaching people at the grass-roots level.

Table 1
Estimates of government expenditures by category of population activity, 1997[a]

Region	Family planning services	Basic reproductive health services	STDs and HIV/AIDS activities	Basic research, data and population and development policy analysis	Total project expenditures
	(Percentage)				(Millions of US$)
Sub-Saharan Africa (N = 28)	25	18	40	18	61.57
Asia and the Pacific (N = 28)	51	18	20	11	267.20
Latin America and the Caribbean (N = 13)	33	40	10	17	84.88
Western Asia and North Africa (N = 8)	45	37	10	8	129.29
Europe (N = 6)	22	27	26	25	39.81
All regions (N = 83)	42	26	19	13	582.75

Note: Row percentages may not add to 100 due to rounding.

[a] Figures are based on the 83 countries reporting to the UNFPA/NIDI 1997 survey.

Table 2
Estimates of expenditures of national non-governmental organizations by category of population activity, 1997[a]

Region	Family planning services	Basic reproductive health services	STDs and HIV/AIDS activities	Basic research, data and population and development policy analysis	Total project expenditures
	(Percentage)				(Millions of US$)
Sub-Saharan Africa (N = 28)	36	32	23	8	34.00
Asia and the Pacific (N = 28)	47	35	12	7	28.73
Latin America and the Caribbean (N = 13)	40	14	8	38	21.71
Western Asia and North Africa (N = 8)	47	37	7	9	5.62
Europe (N = 6)	38	32	28	3	1.20
All regions (N = 83)	41	29	15	15	91.26

Note: Row percentages may not add to 100 due to rounding.

[a] Figures are based on the 83 countries reporting to the UNFPA/NIDI 1997 survey.

31. A number of developing countries and countries with economies in transition have shown real commitment to implementing the Programme of Action of the International Conference on Population and Development. Others have found it difficult to generate the necessary resources to implement national population policies and programmes that reflect ICPD goals. The results of the present inquiry and the global estimation of domestic resource flows for population activities should be treated with caution. Although every effort is made during the data collection to guard against including external assistance from donors,

reporting allocations instead of expenditures and including non-costed population-related activities, the data that are available at the government and national non-governmental organization level do not always meet our criteria. As a result, some estimates are either under- or overstated. Among the problems encountered by Governments and national non-governmental organizations responding to the 1997 data-collection exercise are the following: defining population activities, estimating figures for population components embedded in integrated development programmes, distinguishing between international and domestic funds and avoiding double-counting of resources. The NIDI project staff is working closely with respondents to ensure complete, accurate and timely reporting of data. In an effort to enhance the reliability and quality of data, a series of regional workshops is planned to assist those involved in the data-collection process in gathering information for the annual UNFPA/NIDI inquiry on domestic resource flows.

III. Resource flows for other population-related activities

32. The Programme of Action of the International Conference on Population and Development outlined a comprehensive population and development agenda. It pointed out that, beyond the costed population package, additional resources would be needed to support programmes that addressed the broader population and development objectives including, *inter alia*, those that sought to strengthen the primary health care delivery system, improve child survival, provide emergency obstetrical care, provide treatment and care of persons infected with STDs/HIV/AIDS, provide universal basic education, improve the status and empowerment of women, generate employment, address environmental concerns, provide social services, achieve balanced population distribution and address poverty eradication (paras. 13.17–13.19). No attempt was made to cost out the resources required to achieve these broad population and development goals.

33. Experience has shown that there are difficulties in isolating the costed package from the relevant population-related activities that are not included in paragraph 13.14 of the Programme of Action. This issue was addressed at length by the UNFPA/NIDI resource flows project at a donor meeting in The Hague in May 1998, at which time several donors pointed to the difficulties in disaggregating data by the four components of the costed package of the Programme of Action because their recording systems did not correspond to these categories.

34. A question on population-related activities was included for the first time in the 1997 inquiry. Among the population-related activities reported by donor countries were the following: addressing poverty, provision of basic needs, income-generation, empowerment of women, social development, social marketing of essential commodities, funding to international research institutions, adolescent health, prevention of sexual and gender violence, emergency obstetrics, training of service providers, direct procurement, strengthening primary health care delivery systems, child survival, STDs/HIV/AIDS treatment and care, and basic education, including girls' and women's education. Respondents did not provide information on the amounts of the resources that they had expended for each activity.

IV. Conclusions

A. Progress in resource mobilization to achieve International Conference on Population and Development goals

35. The momentum of the International Conference on Population and Development, which resulted in a significant increase in the flow of financial resources for population activities between 1993 and 1995, appeared to have waned by 1996. Although some donors continued to increase their funding levels, overall international assistance stagnated as a number of donors either reduced their contributions or remained at the same level of funding as the previous year. International assistance in 1996 remained at the 1995 level of about $2 billion. This figure represents roughly 35 per cent of the $5.7 billion target agreed upon in Cairo as the international community's share in financing the Programme of Action of the Conference by the year 2000. Preliminary indications for 1997 point to the first decrease in international assistance for population activities in the post-Conference period. Declining ODA, budget cuts and unfavourable exchange rates are among the major factors behind the decline in international assistance.

36. A number of developing countries have shown commitment to implementing the Programme of Action by formulating new, or revising existing, national population and development policies in line with Conference goals; implementing population programmes; and allocating resources for population activities. Provisional evidence from the report on the 20/20 initiative, which addresses many population-related activities, indicates that developing countries allocate, on average, about 13 per cent of their national budgets to basic social services; donor countries spend about 10 per cent of ODA to support these services.[11] The UNFPA global estimate of under $8 billion conceals the great variation that exists among countries in their ability to mobilize domestic resources for population activities. Most developing countries cannot be expected to generate the required resources to implement their population programmes. In the least developed countries and other low-income countries, a relatively larger part of the total required resources will have to come from external sources on a concessional or grant basis.

B. Resources required to meet Conference goals

37. Attainment of the Conference resource goal of $17 billion for the year 2000 is still a long way off. Given 1997 levels, both external and domestic funding for 1999 would have to increase considerably in order for the target to be reached. We have made considerable progress, but we still have far to go. While funding for population has increased since the Conference, it has not increased at a rate that would ensure mobilizing the required $17 billion by the year 2000.

38. Mobilization of resources for population and development must be placed high on the global development agenda. Donors and developing countries should re-examine priorities and increase allocations for population and related sectors. Donors should coordinate financing policies and planning procedures to enhance the impact and cost-effectiveness of contributions to population programmes. Given limited financial resources, it is essential that both donors and recipient Governments ensure that resources are used effectively and efficiently to meet Conference objectives.

Notes

[1] See *Official Records of the Economic and Social Council, 1995, Supplement No. 7* (E/1995/27), annex I, sect. III.

[2] *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), chap. I, resolution 1, annex.

[3] Annual reporting practices followed by the majority of respondents preclude the availability of information on expenditures for population activities until well into the following year. This results in a considerable amount of elapsed time between the calendar year in which moneys have been expended and the reporting of expenditures to UNFPA and their subsequent publication. The matter of meeting reporting deadlines was discussed at length at a donor meeting held in The Hague in May 1998 at which time all concerned recognized the need for the timely reporting of resource flow data in order to meet UNFPA publication deadlines, while at the same time noting the difficulties in meeting those deadlines. UNFPA and the Netherlands Interdisciplinary Demographic Institute (NIDI), the organization which has been entrusted with the data collection and analysis, are working closely with respondents to resolve this issue. Some progress has already been made and further progress is expected in the 1998 round of data collection, as reporting of expenditures becomes an annual routine and as more and more respondents graciously try to accommodate UNFPA requests for early reporting.

[4] All references to dollars are United States dollars.

[5] The substantial decrease in primary funds for multilateral sources in 1996 is largely due to the absence of data from UNICEF which, that year, reported figures only on project expenditures, and not on income.

[6] Donor countries include Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America, all members of the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD). The European Unions (EU) is included with the donor countries. France, Japan, Luxembourg, New Zealand, Spain and EU did not provide data on population assistance for 1997 by the publication deadline. As a result, 1997 figures for these countries are estimated at the 1996 level, except for Japan, where figures are estimated at the 1995 level, the latest year for which figures were reported.

[7] Sweden increased its 1997 contribution in terms of the Swedish krona, but owing to the unfavourable exchange rate, it registered a decrease in terms of the United States dollar.

[8] United Nations Population Fund, *Global Population Assistance Report 1996*.

[9] The share of the multilateral channel is believed to have been under-reported. This is because some donors did not include expenditures to intermediate donors (for example, membership fees to UNICEF, UNDP and the United Nations Development Fund for Women (UNIFEM)), since, as was not the case for expenditures to UNFPA, the Joint United Nations Programme on HIV/AIDS (UNAIDS) and WHO, they were not sure what percentage of their contributions went to activities specified in the costed population package of the International Conference on Population and Development.

[10] A simple estimation method was used to calculate the global figure of domestic resource flows. Results of the 1997 UNFPA/NIDI inquiry were supplemented by other sources, as available, for such large countries as Bangladesh, Brazil, China, India, Mexico and Pakistan, resulting in a coverage of almost 76 per cent of the population. Regional estimates of domestic resource flows were extrapolated based on 1997 population data and summed to yield a global total of government and non-governmental organization expenditures for population activities. An existing estimate of 14 per cent of the domestic total was added to include private financing so as to arrive at a crude global total for domestic resource flows. The results should be treated with caution because the available data are often underestimated, incomplete and not entirely comparable.

[11] See *Implementing the 20/20 Initiative*, a joint publication (1998) of UNDP, the United Nations Educational, Scientific and Cultural Organization (UNESCO), UNFPA, UNICEF, WHO and the World Bank.